



California Fair Political Practices Commission

May 9, 1989

Mr. Mark Salvaggio
2213 Woolard Drive
Bakersfield, CA 93304

Your Request for Advice
Our File No. A-89-207

Dear Mr. Salvaggio:

You have requested advice pursuant to the campaign disclosure provisions of the Political Reform Act (the "Act").^{1/}

QUESTIONS

1. Are you required to file a Form 410, Statement of Organization, for your re-election in 1989?
2. Are you required to open a new campaign bank account and file another Form 502 (campaign bank account form) for funds received after January 1, 1989?

CONCLUSIONS

1. & 2. You are not required to file a Form 410 or another Form 502 for funds received in connection with the November 1989 election.

FACTS

You are currently a city councilman. You are seeking re-election in November 1989. Your 1985 election committee had cash on hand as of December 31, 1988, and you have determined that those funds were in compliance with the Proposition 73 contribution limitations when you received them. Based on oral advice received from the Commission, you filed a Form 501 (candidate intention form) and a Form 502 (campaign bank account form) using the 1985 election committee's bank account number. You were later advised that it was not necessary to form a new committee for your re-election in 1989. You were also advised that you could not use any of the funds received prior to January 1, 1989 for campaign purposes.

^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

ANALYSIS

The Act was recently amended due to the passage of Proposition 73 on the June 7, 1988 primary election ballot. Proposition 73 places limitations on amounts which may be solicited or received by a candidate. (Sections 85301-85305.) Proposition 73 also states that campaign funds held on January 1, 1988, may not be used to support or oppose a candidacy for elective office. (Section 85306.) However, at the time you received oral advice from the Commission, Regulations 18536 and 18536.1 were in effect. The two regulations allowed candidates to expend funds received prior to January 1, 1989 to support their candidacies for elective office if the funds were in compliance with the contribution limits contained in Proposition 73.

On February 8, 1989, the Los Angeles County Superior Court declared Regulations 18536(b)(2) and 18536.1 invalid in California Common Cause v. California Fair Political Practices Commission, Case No. C709383. As a result of the court's invalidation of the regulations, the Commission is advising candidates that, pending further action by the courts or the Commission, candidates may not use any campaign funds received prior to January 1, 1989 to support their candidacies. Also pending any further action, the Commission is advising candidates who complied with Regulation 18536.1 that they are not required to set up a separate committee for funds raised after January 1, 1989 if all of their contributions received prior to January 1, 1989 were within the contribution limitations set out in Proposition 73 and all of the funds being solicited or received are for the purposes stated on the Form 501 (candidate intention form) filed for a specific election. We recommend, however, that those funds be deposited in a separate bank account for recordkeeping purposes.

Until the courts or the Commission resolve the question of the validity of Regulations 18536 and 18536.1, candidates should refer to Regulation 18536.2 (copy enclosed)^{2/} for guidance in the legal use of those funds.

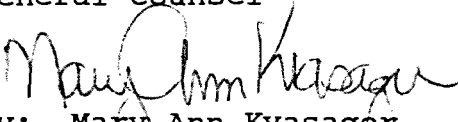
^{2/} At its May 2 meeting, the Commission adopted emergency amendments to Regulation 18536.2, deleting subsections (b)(3), (b)(4) and (c). If approved by the state Office of Administrative Law, these amendments will go into effect in approximately two weeks. Permanent amendments to the regulations will be considered at the Commission's July meeting.

Mr. Mark Salvaggio
Page 3

If you have further questions, please do not hesitate to
contact me at 916/322-5662.

Sincerely,

Kathryn E. Donovan
General Counsel


By: Mary Ann Kvasager
Political Reform Consultant

Enclosure

Mark
SALVAGGIO for **BAKERSFIELD**
City Council

April 3, 1989

Dear Alice:

I am an incumbent Councilman who is trying to comply with the FPPC's regulations regarding Proposition 73.

Please advise me on the following:

- (1) Am I correct that I do not have to file a new Form 410 since nothing has changed since I filed my last one in 1985? I am up for re-election this year.
- (2) On March 10, 1989, Mr. Linda Moreaux from your office advised me that I did not have to file another Campaign Bank Account - Form 502 or open a separate bank account for campaign monies raised after January 1, 1989. However, she did advise me that I could not use any of my pre-Jan. 1989 Campaign monies.

because they are now considered "restricted," even though they all fell within the Prop. 73 limitations. Is this still correct? Or do I need to segregate these restricted campaign monies in a separate bank account?

(3) Please send me a copy of Regulation 18419 since I did not receive one (as requested) from Ms. Moreaux.

I know you must be very busy these days, but I do hope you will be able to respond to me as soon as possible.

Thank you for notifying me of my failure to completely fill out my Form 502. Enclosed please find an "amended" Form 502.

Sincerely,
Mark Salvaggio

I sent original form to
"Campaign Account"
address

CAMPAIGN BANK ACCOUNT

FPPC Form 502

1989-1

Type or Print

Check One: ☐ Initial ☒ Amendment

OFFICE USE ONLY

FULL NAME
OF CANDIDATE:

Last

First

Middle

Salvaggio

Mark

Charles

ADDRESS:

2213 Woodard Drive

Bakersfield, California 93304

Daytime Phone

(805) 834-6667

(805) 326-3767

SPECIFIC OFFICE
SOUGHT:

Councilmember Ward 7 Bakersfield

Date Of Election

Nov. 7, 1989

ACCOUNT INFORMATION

FINANCIAL
INSTITUTION:

Gibraltar Savings

ADDRESS:

2701 Ming Avenue #27

Bakersfield, California 93304-4430

Business Phone

(805) 832-

7610

ACCOUNT NO.:

72-95107450

DATE OPENED:

"Prior to 1/1/89"

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Mark C. Salvaggio

CANDIDATE'S SIGNATURE

Executed on April 3, 1989

DATE

Bakersfield California

CITY AND STATE

Mark
SALVAGGIO ^{for} **BAKERSFIELD**
City Council

April 3, 1989

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Sincerely,
Mark Salvaggio

I sent original form to
"Campaign Account"
address

CAMPAIGN BANK ACCOUNT

FPPC Form 502

1989 - 1

Type or Print

Check One: ☐ Initial ☒ Amendment

OFFICE USE ONLY

FULL NAME
OF CANDIDATE:

Last First Middle
Salvaggio Mark Charles

ADDRESS:

2213 Woolard Drive
Bakersfield, California 93304
Daytime Phone
(805) 834-6667
(805) 326-3767

SPECIFIC OFFICE
SOUGHT:

Councilmember Ward 7 Bakersfield City of
Date Of Election
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Executed on April 3, 1989

Mark C. Salvaggio

CANDIDATE'S SIGNATURE

Bakersfield California

CITY AND STATE



California Fair Political Practices Commission

April 12, 1989

Mark Salvaggio
2213 Woolard Drive
Bakersfield, CA 93304

Re: Letter No. 89-207

Dear Mr. Salvaggio:

Your letter requesting advice under the Political Reform Act was received on April 10, 1989 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact me directly at (916) 322-5662.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to the information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

Jeanne Pritchard
Jeanne Pritchard
Chief Technical Assistance
and Analysis Division

JP:plh